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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

Chapter 11
Case No. 13-12228

BARBARA ZEIFER
a/k/a BARBARA A. ZEIFER
a/k/a BARBARA ALYN ZEIFER
a/k/a BARBARA ANN ZEIFER,

Debtor.

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AFFIDAVIT PURSUANT TO S.D.N.Y. LBR 1007-2

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

Barbara Zeifer, being duly sworn, deposes and says that:

1. Barbara Zeifer a/k/a Barbara A. Zeifer a/k/a Barbara Alyn Zeifer a/k/a Barbara Ann Zeifer (the “Debtor”) filed a petition under Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”) on July 5, 2013 (the “Filing Date”).

2. The Debtor is currently employed as a physician at St. Luke’s Roosevelt Radiology PC, located at 10 Exchange Place 14th Fl., Jersey City, New Jersey 07302.

3. The Debtor is also currently employed as a physician at East Manhattan Diagnostic PC, located at 1790 Broadway, Suite 1100, New York, New York 10019.

4. The Debtor owns her personal residence as fee simple, located at 1 Centre Market Place, New York, New York 10013 (the “Real Property”).

5. The instant filing was precipitated by substantial debts owed to and litigation concerning Newtek Small Business Financial, Inc. (“Newtek”). The Debtor was involved in state court litigation with Newtek regarding guarantees of obligations of her ex-husband under *Newtek Small Business Finance, Inc. vs. Christopher Luis and Barbara Zeifer*, bearing Index Number 601105/12 (the “State Action”). The Debtor’s ex-husband, provided Newtek with business and personal guarantees. He eventually defaulted to Newtek and caused liability to the Debtor. The Debtor has been defending the State Action but has been unsuccessful. The Debtor has been struggling with the liabilities created by her ex-husband and Newtek has not pursued its remedies against him, thereby leaving the Debtor with the financial responsibility. Indeed, the Debtor never had involvement in the ex-husband’s business and did not intend to guaranty his financial obligations. A contentious divorce and extensive litigation has left the Debtor with only her income and Real Property. Although the Debtor believed the Real Property had substantial equity, it has been on the market for over 2 years and despite continual lowering of the asking price, it has not yielded a single offer of any amount at all. To make the situation worse, the Debtor is now dealing with extensive tax liability to the Internal Revenue Service and New York State.

6. The Debtor has not previously filed a petition for relief under the provisions of the Bankruptcy Code. The Debtor intends to propose a plan of reorganization and/or liquidation under the provisions of Chapter 11 of the Bankruptcy Code, or, alternatively, to liquidate certain assets and rehabilitate Debtor’s financial affairs and seek a dismissal of the case.

7. Upon information and belief, as of the date of this Declaration, no committee has been organized herein.

8. Annexed to the petition is a schedule of the Twenty (20) largest unsecured claims of the Debtor's estate. The largest unsecured creditor is Dorothy Zeifer in the amount of \$543,865.00, stemming from numerous documented loans the Debtor received from her mother to assist with the Debtor's financial obligations.

9. Annexed to the petition is Schedule "D" indicating that the Debtor has three (3) secured creditors. The Debtor's three secured creditors are: (i) the Internal Revenue Service, which is owed \$1,265,345.00; secured to the Debtor's Real Property with a value of \$5,300,000.00; (ii) Newtek Small Business Financial, Inc., which is owed \$511,037.69¹, based upon a judgment obtained on April 23, 2013; (iii) The Northern Trust Co., the Debtor's first mortgage for the Real Property in the amount of \$3,172,821.00; and (iv) The Northern Trust Co., the Debtor's home equity line of credit for the Real Property in the amount of \$595,783.00.

10. The Debtor's assets, as listed on Schedules "A" and "B" of the petition, as of the Filing Date include:

- (a) her interest in the Real Property;
- (b) cash on hand in the sum of \$500.00;
- (c) a checking and savings account with Chase Bank with the approximate balance of \$ 3,000.00.;
- (d) ordinary household goods and furnishings, and clothing;
- (e) artwork and miscellaneous personal property;
- (f) assorted jewelry;
- (g) a 401(k) account with ING;
- (h) a 403(b) account with Fidelity;
- (i) 2 shares in Park South Imaging Holdings, LP; and
- (j) 3 shares in Highline Imaging, LP.

¹ The Newtek judgment is a preference and will not be deemed secured against the Real Property.

11. The Debtor's assets, as listed on Schedule "A" and "B" are estimated to total approximately \$5,606,038.63. The Debtor's liabilities, as listed on Schedules "D", "E", and "F", are estimated to total approximately \$6,658,878.76.

12. There is no property of the Debtor that is in the possession or custody of any custodian, public officer, mortgagee, pledgee, assignee or any other person.

13. All assets, books, and records of the Debtor are located at her residence in New York, New York or with her Accountant.

14. As of the Filing Date, the Debtor was a party to the following lawsuit:

(a) Newtek Small Business Finance, Inc. v. Christopher Luis and Barbara Zeifer, Index No. 601105/2012, in the Supreme Court of the State of New York, in which Newtek Small Business Finance, Inc., has entered a judgment against the Debtor dated April 16, 2013.

15. The Debtor has not retained a financial or business consultant in this proceeding.

16. The Debtor receives approximately \$37,948.05 monthly in gross earnings. After taxes and expenses, as set forth in Schedule J of the Schedules, it is anticipated that the Debtor, upon resuming employment, will have a monthly net cash gain of \$2,257.46.

17. The Debtor intends to obtain a discharge of her obligations, and to propose a plan of reorganization or liquidation to address her liabilities, or, alternatively, in the event that the Debtor's obligations are adequately addressed, modified and/or resolved prior to the formulation of a plan, the Debtor may seek a dismissal of the case. The Debtor will continue to market and sell the Real Property in order to maximize the value of its equity. Between the Real Property and the Debtor's income, she is confident a plan of reorganization can be accomplished.

WHEREFORE, the Debtor respectfully seeks to continue in the operation and management of her affairs pending further Order of this Court.

Dated: July 5, 2013

s/ Barbara Zeifer
Barbara Zeifer

Sworn to before me this
5th day of July 2013

s/ Leanore Spinosa
Leanore Spinosa
Notary Public, State of New York
No. 24-9130736
Qualified in Kings County
Commission Expires March 30, 2014

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